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Letter dated 14 September 2005 from the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism addressed to the President of the Security Council

I write with reference to my letter of 6 June 2005 (S/2005/370). The Counter-Terrorism Committee has received the attached fifth report from Latvia submitted pursuant to paragraph 6 of resolution 1373 (2001) (see annex).

I would be grateful if you could arrange for the present letter and its annex to be circulated as a document of the Security Council.

(*Signed*) Ellen Margrethe **Løj**
Chairman
Security Council Committee established pursuant to
resolution 1373 (2001) concerning counter-terrorism

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Annex

Note verbale dated 29 August 2005 from the Permanent Mission of Latvia to the United Nations addressed to the Chairman of the Counter-Terrorism Committee

The Permanent Mission of the Republic of Latvia to the United Nations presents its compliments to the Counter-Terrorism Committee and has the honour to submit the responses of Latvia to the questions posed by the Committee in its questionnaire on the implementation of resolution 1373 (2001) of the Security Council (see enclosure).

Enclosure*

Responses of Latvia to the questions posed by the Counter-Terrorism Committee in its questionnaire on the implementation of resolution 1373 (2001) of the Security Council

1. Implementation measures

Criminalisation of terrorist acts and their financing

1.1 **The CTC has taken positive note that Latvia is a party to all twelve of the international instruments on the suppression of terrorism, and further appreciates the outlines provided in Latvia's fourth letter [pages three to six] of the legal provisions that implements the provisions of some of these instruments into its domestic law. The CTC would, however, appreciate receiving information concerning the provisions implementing the remainder of these instruments, especially those that implements the provisions of the International Convention for the Suppression of the Financing of Terrorism.**

As it was reflected in the previous reports of Latvia the penalisation of terrorism is set out in Article 88 the Criminal Law. It was also mentioned in the fourth report, that the Criminal Law contains some other provisions regarding the penalisation of offences considered to be criminal within the scope of the twelve universal antiterrorism instruments.

It has to be noted, that the suppression of terrorism also falls under Article 89. This Article sets out a penalty for the establishment of a criminal organisation, providing that not only persons who have established, led or participated in the commission of especially serious crimes against State interests, but also persons who are aware of a criminal organisation's targets and intentionally involve themselves in this organisation or in its substructures, shall be liable in accordance with this Article.

Furthermore, the Ministry of Interiors has come up with initiative to redraft the existing wording of Article 88 aligning it with the current framework of international law in a very accurate manner. It is expected that the draft bill will be submitted to the Saeima for approval in the Autumn Session and it will be presented for the attention of the CTC as soon as it is approved.

Regarding the legal framework for the suppression of financing of terrorism, on 18th of May 2005 the Saeima adopted new Article 88 of the Criminal Law. The first part of this Article sets out a penalty for the direct or indirect collection or consignation of funds or other means of any origin, with the intent to use them or in the knowledge that they are to be used in full or in part, to carry out one or more terrorist acts or to consign them to terrorist organisations or to an individual terrorist. The penalty for the act prescribed above is the life imprisonment or deprivation of liberty from 8 up to 10 years, with the confiscation of property. Besides, the second part sets out a penalty for financing of terrorism, if it is committed by a group of persons pursuant to prior agreement or if it is committed on a large scale. The applicable penalty for offence prescribed in the second part is life imprisonment or deprivation of liberty from 15 up to 20 years, with confiscation of property. The previously described offences in conjunction with the provisions of the General Part of

* Attachments are on file with the Secretariat and are available for consultation.

the Criminal Law are considered as especially serious crimes. The above-mentioned amendments came into force on 1st June 2005.

Effectiveness of the protection of financial system

1.2 The CTC appreciates the information provided by Latvia in its fourth report [page six and seven] regarding the Latvian Financial Information Unit. However, given that the suppression of the financing of terrorist acts under the effective implementation of sub-paragraph 1 [a] of the Resolution requires executive and administrative machinery that is capable to carrying out its tasks, the CTC would appreciate receiving a response to its question 1.2 posed in its letter of 28 July, 2004 [S/AC.40/2004/MS/OC.420] requesting whether the Latvia Financial Intelligence Unit [FIU] is adequately structured, empowered and staffed [with human, financial and technical resources] to enable it to carry out its mandate. Said letter further requested Latvia to provide data support of its responses to the above question.

Latvian Financial Intelligence Unit (hereinafter – the Control Service) at the moment has 19 officials at service. The mandatory request for all employees of the Control Service as a minimum is a bachelor degree [or any other education allowing to obtain masters degree] and sufficient prior experience in law enforcement, advisable in the field of prevention of money laundering.

The main tasks of desk officers dealing with issues of financing of terrorism are elaboration of analytic reports regarding present situation and possible developments, consultations and information exchange with other law enforcement authorities, inter alia, foreign authorities, collection of data received from national credit and financial institutions under the Law on Prevention of the Laundering of the Proceeds Deriving form Criminal Activities or foreign counterpart services, forwarding of particular data or information to credit or financial institutions and their supervision authorities.

The Law on Prevention of the Laundering of Proceeds from Criminal Activities empowers the Control Service to take necessary measures to prevent financing of terrorism, inter alia, to freeze such funds up to 6 months as it is stated in Article 17 of the said Law [(1) If financial resources or other property in accordance with Section 4, Paragraph two of this Law is qualified as proceeds of crime, the Control Service may give the persons referred to in Section 2, Paragraph two of this Law an order to suspend the debit operation of such financial resource into the account of the client or other movement of property for the time specified in the order, but for not longer than six months (2) The persons referred to in Section 2, Paragraph two of this Law shall without delay implement the order referred to in Paragraph one of this Section. (3) The Control Service has the right to revoke its own order to suspend the debit operation of such financial resource into the account of the client or other movement of property before the end of the period of time]. Within the period mentioned above the Control Service, if it has sufficient grounds to believe, that criminal offence under Article 195 of the

Criminal Law has been committed, shall convey all information available to pre-trail investigative institutions. On the basis of information received the pre-trail investigative institutions shall proceed in accordance with the Code of Criminal Procedure.

Moreover, the Control Service may in accordance with provisions set out by the law, exchange information with foreign counterpart services.

Referring to the above-mentioned information, there is sufficient ground to consider that the Control Service is staffed and equipped with technical means in an appropriate manner and possesses enough powers under the Law to successfully proceed with tasks entrusted to it by the law in field of suppression of financing of terrorism.

1.3 In relation to the effective implementation of sub-paragraph 1 [a] of the Resolution, States are requested to impose legal obligation to report unusual and suspicious transactions to the competent authorities, on all professionals engaged in financial transactions, as well as on other intermediaries such as lawyers, notaries, estate agents and accountants when they are involved in brokering activities. The CTC appreciates the information contained in Latvia's fourth letter [pages eight and nine] on the mechanisms that extend the reporting obligation to all professions involved in financial transactions. In this context, however, the CTC notes that the domestic legal obligations stem from the "Law on Prevention of the Laundering of the Proceeds Derived from Criminal Activity". The CTC would like to point out that for this purpose the funds and other resources need not be the proceeds of crime, but could be of lawful origin and still be used for terrorist purposes. The CTC would like therefore to request Latvia to indicate what steps it intends to take fully to comply with this requirements of the Resolution.

The legislation of the Republic of Latvia does set out a penalty for utilisation of proceeds with lawful origin for financing of terrorism.

Article 4 of the Law on Prevention of the Legalisation of the Proceeds from Crime reads as follows:

"As proceeds from crime shall also be regarded [that means that not only proceeds from crime referred to in Article 1 of the Law] financial resources and other property, which is controlled [directly or indirectly] or the owner of which is a person who in connection with suspicion of committing an act of terrorism or participation therein is included in one of the lists of such persons compiled by a state or an international organisation in conformity with the criteria specified by the Cabinet of the Republic of Latvia or a person regarding whom institutions referred to in Article 33 of this Law have information, which gives sufficient grounds to hold such person under suspicion regarding the committing of a crime – terrorism or participation therein". The wording of Article above refers to any kind of proceeds.

A penalty for such offences is set out in Article 195 of the Criminal Law:

(1) For a person who commits laundering of criminally acquired financial resources or other property,

the applicable sentence is deprivation of liberty for a term not exceeding five years, or a fine not exceeding one hundred and fifty times the minimum monthly wage, with or without confiscation of property.

(2) For person who commits the same offence, if commission thereof is repeated, or is by a group of persons pursuant to prior agreement,

the applicable sentence is deprivation of liberty for a term not less three years and not extending eight years with confiscation of property

(3) For offences prescribed in the first and second part of this Article if commission thereof is on a large scale or if commission thereof is in an organised group,

the applicable sentence is deprivation of liberty for a term of not less than five and not exceeding ten years, with confiscation of property.

Moreover, recently adopted amendments of the Criminal Law sets out a penalty for collection of funds or other assets for terrorist purposes [see the response to question 1.1] and in accordance with the provisions of the General Part of the Criminal Law [and in particular Article 15] the collection of funds with an intent to use them for criminal activities shall be considered as preparation to commit a criminal offence and part 4 of Article 15 sets out that such a preparatory act shall be penalised in accordance the same Article of the Criminal Law as the offence itself. Criminal violations are excluded form the scope of the provisions of Part 4 of Article 15 of the Criminal Law.

1.4. Further on relation to money laundering and the financing of terrorism the CTC takes note of Latvia's responses in its fourth report [page nine] to questions 1.5 of the CTC's letter of 28 July, 2004 [S/AC.40/2004/MS/OC.420]. While the CTC notes Latvia does not have new strategies to investigate money laundering and financing of terrorism, the CTC would still be interested in the strategies that Latvia "in recent years has developed and implemented". In addition, the CTC would be grateful for further information about the Joint Action Coordination Centre, especially in how it is intended to help improve the effectiveness of the above-mentioned strategies.

The development of the Control Service since year 1998 [the Control Service was established in the end of 1997] has been carried out in accordance with the strategic development plans. The first one covered period of time from 1998-2002 and was successfully fulfilled. The present strategic plan covers period of time from 2003-2006 and also contains the Control Service's IT development plan.

In accordance with the above-mentioned plan a specific software was introduced to compare two or more lists, wherewith now it is possible to compare automatically terrorist lists received from states or international organisations with national list of natural and legal persons, regarding whose transactions it has been reported as unusual or suspicious.

In accordance with the plan, the number of officials has been increased from 13 up to 19, wherewith number of employees dealing with tasks regarding prevention of financing of terrorism increased.

On 20th June 2002 Article 39 of the Law on Prevention of the Laundering of the Proceeds from Crime was amended, empowering the

Control Service to cooperate not only with like foreign authorities, but also with foreign or international institutions dealing with the suppression of financing of terrorism or control on flow of financial means and other assets.

Thus, in accordance with the above-mentioned strategic development plan technological and legal measures have been successfully put on the ground, ensuring the capacity and powers of the Control Service to take appropriate steps to suppress the financing of terrorism. For example, a specific network has been established, to consolidate list of the liaison persons of credit and financial institutions in charge for receiving of and examining information included in the lists received form the Control Service, and for reporting back to the Control Service on the results of the examination and if it is necessary on assets frozen.

Due to the latest development, the Control Service looks forward to improving its work.

In relation with information regarding the Joint Action Coordination Centre [Counter-Terrorism Centre] see response to questions 1.7

Effectiveness of counter-terrorism

1.5. Effective implementation of paragraph 2 of the Resolution requires each Member State, inter alia, to have in place effective police, intelligence and/or other structures as well as adequate legal provisions to detect, monitor and apprehend those involved in terrorist activities, as well as those supporting terrorist activities, with a view to ensuring that such persons are brought to justice. In this regard, the CTC takes note of Latvia's response in its fourth report [page nine], but would request some elaboration of the response. For example, please indicate whether the cooperation is based on the Law on Implementation of the Sanctions of International Organisations, or on the Cabinet regulations [please provide appropriate provisions]. Please further indicate what, if any provisions exist for cooperation with foreign counterparts, and how such co-operation works in practice.

In accordance with Article 4 of the Law on Implementation of the Sanctions of International Organisations in the Republic of Latvia, the Cabinet of Ministers is entitled to issue a regulation to establish, prolong, change or interrupt certain restrictions based on sanction laid down by international organisation against a particular state. Furthermore, the Cabinet of Ministers in its regulation shall indicate all measures necessary to enact sanctions at national level. The regulation of the Cabinet of Ministers sets out restrictions not only for natural or legal persons of the Republic of Latvia, but also for foreign natural or legal persons lawfully residing or having a representation registered in the Republic of Latvia, to supply all kinds of arms or like materials (inter alia, ammunition, military vehicle, military equipment and spare parts of it) to the country, against which sanctions are imposed. The regulation of the Cabinet of Ministers may also set out a restriction to issue a visa [to travel in or though Latvian territory], residence permit and also requires to cancel visa and residence permit issued to a person included in the list of persons [black lists] elaborated by international organisations. If it is

necessary, the mentioned regulation may contain the provisions requiring the freezing of accounts and assets possessed by persons indicated by international organisations.

Currently new Law on Implementation of Sanctions Set Out by International Organisations has been drafted. The main aims of the Law are to define possible sanctions, to set out competence sharing among national authorities and to particularise the mechanism of enacting.

A frame for cooperation and exchange of information between national authorities in the field of suppression of terrorism is set out in the Law On Prevention of the Laundering of the Proceeds from Crime, and in particular in Article 39 which reads as follows:

"The Control Service may on its own initiative or pursuant to a petition, conduct the exchange of information with foreign authorised institutions the duties of which are in general similar to the duties of the Latvian Control Service, referred to in Article 27 of the Law, as well as foreign or international institutions engaged on combating of terrorism regarding issues of financial resources associated with terrorism or control of the flow of any other funds and assets, if the confidentiality of data is guarantied and it is ensured that such data will be used only for mutually agreed purposes and information will be utilised to prevent or prosecute only crimes penalised also in Latvia".

The duties of the Latvian Control Service is prescribed into Article 27:

"The Control Service is a specially established law enforcement authority which, in accordance with the Law on Prevention on the Laundering of the Proceeds from crime, shall exercise control over unusual and suspicious financial transactions, and shall acquire, receive, register, process, compile, store, analyse and provide information to pre-trial investigative institutions and courts, which may be utilised for the prevention, detection, pre-trial investigation or adjudication of the laundering or attempted laundering of the proceeds from crime or any other penalised activities associated with it".

The information available to the Control Service shall be provided to foreign investigatory authorities or courts under rules of international agreements on mutual legal assistance in criminal matters, utilising liaison authorities designated for such purpose and only regarding offences also penalised in Latvia, if international agreement on mutual legal assistance does not provide otherwise.

1.6 Regarding the protection of vulnerable targets involved in the prosecution of terrorist crime [e. g. protection of victims, persons collaborating in the pursuit of justice, witnesses, judges and prosecutors], the CTC notes from Latvia's fourth report [page 10] that the protection of victims and witnesses falls under the Criminal Procedure Code. However, the CTC would like to learn what the scope of these provisions is, and whether they apply to others, such as judges and prosecutors. Could they be used in collaboration with another State?

Currently the Code of Criminal Procedure sets out specific procedurai protection of persons engaged into prosecution of crimes. However, new Law on Criminal Procedure will come into force on 1st October 2005 [simultaneously with the Law on Specific Procedural Protection], replacing the Code of Criminal Procedure. Moreover, the specific procedural protection is also set out in the Investigatory Operation Law.

Regarding current regulation, the Code of Criminal Procedure sets out following provisions applicable to the specific procedural protection of a person engaged into prosecution of crimes.

Specific procedural protection of a person bearing witness in a criminal trial is provided for by Chapter 9.A of Code of Criminal Procedure.

Article 106 of the Code of Criminal Procedure sets out a mandatory obligation to courts, prosecutors and investigators to explain applicable rights to any person involved in investigation or prosecution of case, whatever the status of a person is, and shall ensure an opportunity to use them.

If there is a sufficient ground to believe that to victim, person bearing witnesses or any other person engaged in a case and also to his/her family members or other person close to such a person, threats of assassination, use of violence, destruction or damaging of his/her property or the commitment of any other unlawful act have been expressed, he/she may request to competent law enforcement authorities necessary protection of his/her person, property and other lawful interests. In the cases prescribed above an investigator, prosecutor or court regarding the specific circumstances of a case and the nature of threats may apply necessary measures prescribed by the Code of Criminal Procedure, to protect and preserve life, health, honour and dignity and shall investigate such a case and bring a perpetrator to trial. Moreover, in the case of necessity an investigator on its own initiative may, but, if the decision of prosecutor or court presents, shall ensure the protection of a person engaged in case by any other lawful means.

Article 106 of the Code of Criminal Procedure sets out that procedural protection may be applied to victims, witnesses, suspects, the accused, possible defendants and people convicted for serious or especially serious crimes, if the person is bearing witnesses in the case of an especially serious crime and to persons whose endangerment may affect above-mentioned persons.

Article 106 of the Code of Criminal Procedure sets out the conditions that shall be met to apply specific procedural protection. The specific procedural protection shall be applicable, if due to witness borne the life, property or other lawful interests of a person bearing witness have been endangered, a threat to endanger the above has been expressed or there are grounds to believe that such threat may be carried out. The specific procedural protection may also be provided upon written request of a person concerned.

If above-mentioned conditions are met, upon a written request of indictor the Prosecutor General after hearing of the endangered person takes a decision to satisfy or decline such a request.

If during proceedings a necessity to apply specific procedural protection arises, all papers containing data identifying a particular person

shall be redone and person's ID must be changed. All original documents shall be exempted from the case and kept apart from the papers of the case together with the decision to apply specific procedural protection. Access to such papers is permitted only to the particular indictor or the Prosecutor General.

The first part of Article 19 of the Investigatory Operation Law sets out that upon issuing of a decision by the Prosecutor General regarding the application of special procedural protection to a person, a body in charge of investigatory operations shall take all necessary measures to put into effect such a decision as provided for in the Law, utilising appropriate methods and means, insure the protection of the person and his/her premises (property), secure the person's conversations against unsanctioned wiretapping and his/her correspondence against unsanctioned monitoring; shall issue special technical devices and weapons to such a person and train him/her in their use; shall for the required time period provide lodging for the person to be protected in guarded residential premises unknown to others (confidential) and in accordance with prescribed procedures shall organise the issuing to such person of a passport and other documents with different personal identity data and change of permanent residence and place of work, and carry out other necessary activities.

Furthermore, the fourth part of the said Article sets out the following:

"Having received verified information regarding a threat to a person who is not testifying in a criminal case and therefore could not be considered as a person to whom special procedural protection should apply, but who in any other manner is taking part in the uncovering, investigation or prosecution of a serious crime committed by an organised group, the head of body performing investigatory operations may, on the basis of a written request from the person and approval of the Prosecutor General, take a decision regarding the recognition of the person as a person to whom a special protection shall apply as referred above"

On 21st April 2005 the Saeima adopted the Law of Criminal Procedure, which will come into force on 1st October 2005. In accordance with Article 24 of this Law a person who is endangered due to performing his/her duties arising from Law of Criminal Procedure, may request indictor to ensure the protection prescribed by law to such a person or his/her property. The indictor upon receiving such a request, with a due regard to existing circumstances in the particular case takes a decision to apply one or more measures listed below:

1. Initiate another criminal proceeding to investigate such an endangerment;

2. To apply appropriate security measure to benefit a person under such an endangerment;

3. Initiate the application of special procedural protection to a person endangered;

4. Assign to the law enforcement authorities to ensure the security of a person and its property.

Article 300 of the Law of Criminal Procedure provides that circumstances allowing the application of specific procedural protection are existing threat to the life, health and property of a person, threats to commit

such endangerment have been expressed or indictor has well-founded reasons to believe that endangerment of a person or his/her property might be carried out.

On 19 May 2005 the Saeima adopted the Law on special protection of a person, which will come into force simultaneously with the Law of Criminal Procedure.

Article 1, The Aim of the Law, reads as follows:

"The aim of this law is to ensure the protection of the life, health and other lawful interests of a person bearing witnesses in criminal cases or taking part in the detection, investigation or judging of serious or especially serious crimes".

Article 2 of the Law defines the Special protection of a person as criminal procedural, investigatory or any other security measures, deemed to safeguard the life, health and other lawful interests of the protected person".

1.7 Within the context of the implementation of sub-paragraph 2 [e] of the Resolution, the CTC would be grateful to have more information about the "governmental working party established to elaborate a coordination mechanism for cooperation and information sharing among the various governmental agencies and other competent authorities" Does the work of this body extend beyond terrorist financing? Are its recommendations translated into administrative action, or have they become part of domestic law? Have any of its recommendations been implemented, and if so please elaborate.

In accordance with the order of the President of Ministers of 12th July 2004 "On Working Party for Elaboration of the Joint Counter-Terrorism Action Centre" a multi-institutional working party chaired by the representative of the Security Police was established. The working party was composed of representatives from Ministries of Defence, Foreign Affairs, Interior, Emergency Control Centre, Military Intelligence and Security Service, National Armed Forces, Security Service of the President and the Saeima [Parliament], the Satversme [Constitution] Protection Bureau. Due to tasks assigned, the working party has elaborated and Minister of Interior in accordance with rules of procedure submitted to the Cabinet of Ministers draft conception "The Foundation of Counter-Terrorism Centre" (approved by the Cabinet of Ministers on 28th November 2004).

In accordance with the above-mentioned conception at the 1st February 2005 the Counter-Terrorism Centre within the Security Police has been established. The main tasks of the Centre are to ensure the permanent monitoring of threats of terrorism and elaboration and coordination of the implementation of State's counter-terrorism policy. The Counter-Terrorism Centre coordinates the elaboration of analytic, conceptual and policy planning documents in the field of counter-terrorism and gives methodological support to authorities engaged in counter-terrorism activities. It is also planned to create public early warning system of terrorist threats.

In accordance with the Conception the creation of the Consultative Council of Counter-Terrorism Centre is planned. The Security Policy has elaborated the draft regulation of the Cabinet of Ministers "The Statutes of the

Consultative Council of Counter-Terrorism Centre". At the moment the draft regulation has been sent to different governmental authorities to obtain their opinions regarding the draft regulation.

It is also planned that the Council will be composed of representatives from Ministries of Defence, Foreign Affairs, Interior, Transport and Communication, Justice, Health, Military Intelligence and Security Service, National Armed Forces, Financial Intelligence Unit, Security Service of the President and the Saeima and the Satversme Protection Bureau. The aim of the Council will be the facilitation of coordination and cooperation between the Counter-Terrorism Centre and other authorities, municipalities and legal persons, to improve country's readiness to prevent terrorist threats and eliminate the impact and consequences of such acts. Moreover, it is expected that the Council will come up with proposals how to improve counter-terrorism policy, evaluate and analyse draft bills in the field of counter-terrorism and consider the possible ways to improve cooperation among authorities.

1.8 The CTC has taken note that the new Criminal Procedure Law has been submitted to the Parliament for third reading. Please advise the CTC of the enactment of this piece of legislation, and please provide its relevant provisions once it has been so enacted.

On 21st April 2005 the Saeima adopted the Law of Criminal Procedure, which will come into force on 1st October 2005.

Effectiveness of customs, immigration and border controls

1.9 Effective implementation of paragraphs 1 and 2 of the Resolution requires the operation of effective customs and border controls with a view to preventing as suppressions, inter alia, the financing of terrorist activities. The CTC has taken note of Latvia's response in this regard in its fourth report [page 11] in particular that there is no obligation to make a declaration in case of cross-border movement of cash. Please advise the CTC as to the progress made by the "working party for elaboration of the Regulation on Standards for Declaration of Cash", as it should be treated as a priority, since it is an area that could well be exploited by those engaged in or lending assistance to terrorists.

The Ministry of Finance has drafted a bill on declaration of cash, which has been submitted to the Saeima [Parliament] on 20th April 2005 and the Saeima at the second reading on 9th July 2005 approved it [final approval at the third reading is expected at the Autumn Session]. Moreover, to ensure readiness and ability of territorial authorities of the State Revenue Service to control and account cash flow in an appropriate manner, and to enable accurate and precise information exchange among national authorities, the Principle Customs Board of the State Revenue Service has established a permanent working party. The main task of the working party is to monitor all aspects of implementation of the abovementioned draft bill.

1.10 **Effective implementation of sub-paragraph 2 [c] and [g] of the Resolution requires the enforcement of effective customs, immigration and border controls in order to prevent the movement of terrorists and the establishment of safe havens. In this regard:**

- **Please indicate which legal instruments set out the "national and international standards" that governs the action of Latvian authorities. On what is mechanism of information exchange with foreign counterparts based?**
- **Please indicate what laws or procedures govern the coordination of the Customs service and the State Border Guard. Please provide the CTC with the appropriate provisions.**
- **Please provide the CTC with the details of the specific regulations under which border security cooperation is carried out between Estonia, Latvia, and Lithuania. Are there also specific provisions that govern the regular exchange of information and coordination of actions at the operational level? If so, please elaborate.**
- **Please outline the relevant and currently applicable provisions of the "national Conception on State Security" that provide legal and administrative procedures to protect Latvia's airports, ports and offshore installations.**

The tasks, rights and obligations of customs authorities are set out in the Law of State Revenue Service, and in particular **Article 2**:

Principal Tasks of the State Revenue Service are

1) to ensure the collection of State taxes, fees and other State mandatory payments administered by the State Revenue Service in the territory of the Republic of Latvia and on the customs border;

2) to implement State customs policy and to ensure protection of the customs border;

3) to prevent and detect criminal offences in the field of State taxes, fees and other mandatory payments specified by the State;

4) to ensure the training of civil servants (employees) of the State Revenue Service, as well as in accordance with the procedures specified in this Law to consult taxpayers regarding issues on the application of tax regulatory enactments;

5) in accordance with the procedures specified in laws and Cabinet regulations to register and enumerate taxpayers and to control the conformity of registration documents to the requirements of the law and actual circumstances; and

6) to ensure the fulfilment of regulatory enactments regulating the movement of goods subject to excise duty.

and Article 11:

Tasks of the State Revenue Service in Implementation of Customs Policy:

1. Customs control of goods and other items to whom custom control shall be applied, application of customs taxes and customs duties, collection

of customs taxes and customs duties and documentation of customs control, and protection of the State economic border are customs matters only.

2. In the implementation of customs policy the tasks of customs authorities are:

1) to control compliance with the administrative adjudications regarding customs matters;

2) to apply customs tariffs, to control compliance with the system of permits for importation and exportation of goods and other subjects, to collect State taxes, customs duty and customs fees, as well as other mandatory payments set out by the State which shall be paid on the customs border in accordance with regulatory enactments;

3) in co-operation with foreign customs authorities, to arrest smuggled cargoes and the import and export of conventionally prohibited objects;

4) in accordance with the procedures prescribed in laws to provide an account of the operations of customs authorities and basic statistical data;

5) in accordance with regulatory enactments to provide the State authorities, undertakings (companies), organisations and natural persons with information on customs matters, to train specialists and increase the qualifications of specialists regarding customs matters;

6) to co-operate with law enforcement, State control and State administration institutions, as well as with other institutions in matters regarding compliance with regulatory enactments adopted in customs matters;

7) to carry out international obligations assumed by the State in relation to customs;

8) to manage border posts and perform the construction thereof; and

9) to perform inquiry regarding smuggling matters.

Moreover, the same law spells out the structure of the State Revenue Service [Article 3] and mandatory obligation of natural or legal persons to comply with the requirements of the State Revenue Service [Article 6].

Article 3

The State Revenue Service consists of the central headquarters and territorial offices. The State Revenue Service and its territorial offices have the status of a legal person.

The central headquarters of the State Revenue Service consists of the National Tax Board, National Customs Board, Customs Criminal Service, Finance Police Department, as well as the Large Taxpayers Board, Excise Goods Department and other units that ensure the general operation of the Service.

The Director General of the State Revenue Service in accordance with this Law and other regulatory enactments shall establish Territorial offices of the State Revenue Service.

The civil servants of the State Revenue Service who ensure the fulfilment of the principal tasks of the State Revenue Service within the meaning of this Law shall be the Director General of the State Revenue Service, deputies of the Director General, directors of the administrations and boards and their deputies, directors of territorial offices and their deputies, heads of other units and their deputies, chief tax inspectors, senior tax

inspectors, tax inspectors, chief inspectors, senior inspectors, inspectors; senior inquiry inspectors of the Finance Police, inquiry inspectors, junior inquiry inspectors, as well as heads of territorial customs authorities and their deputies, customs shift supervisors; customs experts of all ranks, chief customs supervisors, senior customs supervisors, customs supervisors, junior customs supervisors, as well as other persons performing the functions referred to in Section 3, Paragraph one of the State Civil Service Law in the State Revenue Service.

Article 6

Fulfilment of the decisions taken, requirements advanced and instructions given by the civil servants of the State Revenue Service within the limits of the competence prescribed by this Law shall be mandatory for all legal persons and natural persons subject to the control of the State Revenue Service.

Besides, Article 13 of the said law sets the frame of competence for the Civil Servants in the field of Customs:

1. In performing service duties, the civil servants of customs authorities have the right upon presentation of a service identification document and an authorisation of a higher civil servant, to enter the territory or the premises of undertakings (companies) and institutions, and special and open economic zones in which the goods and other objects subject to customs control are located.

2. Civil servants of customs authorities when performing their service duties have the right, if necessary, in accordance with the procedures specified in regulatory enactments to carry and use firearms, special means of protection, as well as special means for stopping transport on the customs border of the Republic of Latvia.

3. Civil servants of customs authorities when performing service duties in tax administration have the rights specified in Section 10, Paragraph one of this Law.

4. In order to ensure the implementation of customs tasks, customs authorities shall co-operate with State and local governrnent authorities, natural persons and legal persons.

5. Civil servants of customs authorities have the right and duty independently or together with the officials of the States border guard, immigration and public order service to arrest violators of the State border of the Republic of Latvia.

6. Civil servants of customs authorities have rights specified by the law, but in performing inquiry in smuggling matters they have the authorisation of an inquiry institution specified in the Latvian Criminal Procedure Code.

7. Civil servants of customs authorities authorised by the Director General of the State Revenue Service or the Director of the National Customs Board have the right in accordance with the procedures prescribed by law to perform investigatory operations to detect and prevent criminal offences regarding matters within the competence of the customs authorities.

The obligation of customs authorities to cooperate with other national authorities is spelled out in Article 10 of the Customs Law and also it derives from Article 27 paragraph 2 of the Investigatory Operations Law.

Co-operation between Estonian, Latvian and Lithuanian custom authorities is also carried out on the Agreement between the Government of the Republic of Estonia, the Government of the Republic of Latvia and the Government of the Republic of Lithuania on Mutual Assistance in Customs Field.

Article 5 of the Agreement sets out the provisions regarding exchange of information among authorities and it reads as follows:

1. The custom authorities of the Contracting Parties shall, either on their own initiative or on request, supply to one another all information which may help to assure accuracy in:

a. The collection of customs duties and other import and export taxes and charges and, in particular, information which may help to assess the value of goods for customs purposes and to establish their tariff classification;

b. The implementation of import, export and transit prohibitions and restrictions;

c. The application of the rules of origin of goods not covered by other arrangements

2. If the customs authority so requested does not have the information asked for, it may, at its own discretion, seek that information in accordance with the provisions of its customs laws.

Article 7 of the said Agreement sets out the form and substance of request for assistance. This clause stipulates mandatory obligation to submit such a request in writing, [excluding especially urgent matters]. The above-mentioned request shall contain:

1. Information regarding custom authority making the request;
2. The measures requested;
3. The object of and reasons for the request;
4. The laws, rules, regulations and other legal elements involved;
5. Indication as exact and comprehensive as possible on the natural or legal persons being the target of the investigations;
6. A summary of the relevant facts.

This Agreement defines that "customs authorities" for the purpose of the Agreement shall be understood solely as operative authorities, for example the Customs Department of the Latvian State Revenue Service.

However, this Agreement shall be applied *mutatis mutandis* with provisions of the EC Law.

Regarding the Conception of State Security and following legal and administrative acts to ensure the fulfilment of the said Conception, recently there have been two legal acts adopted:

1. Maritime Code [adopted by the Saeima on 1st August 2003];
2. Regulation of the Cabinet of Ministers "The Complex of Necessary Measures to Secure the Safety of Civil Aviation" [adopted by the Cabinet of Ministers on 29th of March 2005].

Effectiveness of controls preventing access to weapons by terrorists

1.11 Sub-paragraph 2 [a] of the Resolution requires each Member State, inter alia, to have in place appropriate mechanisms to deny terrorists access to weapons. The CTC has taken note of the extensive response provided by Latvia in its fourth report in this regard. By way of supplementary inquiry in relation to stockpiles management and security, the CTC would be grateful to be provided with the details of the Law on Arms Circulation of June 6, 2002, including applicable regulations thereof. In relation to the establishment of a national focal point, please advise the CTC when Joint Action Coordination Centre is likely to be established, and what will its functions include.

Since the Law on Arms Circulation contains provisions which might be read solely in conjunction with other provisions of the Law, responding to question regarding details of the Law on Arms Circulation please find enclosed entire Law on Arms Circulation. However, taking into account number of regulations applicable to the Law, the translation of them is not yet completed. Therefore, it could be possible to provide the CTC only with titles of the regulations:

1. Regulation No. 167, adopted on 15th April 2003 "The Unified Recording of Firearms and High-Energy Pneumatic Weapons". This regulation sets out unified system of recording of such arms possessed by natural or legal persons.

2. Regulation No. 488, adopted on 2 September 2003" On Taxes Applicable to the Issuance of Permits of All Types for Weapons, Munitions, Explosives, Explosive Devices and Pyrotechnic Articles and for the Extension of the Term of Validity".

3. Regulation No. 538, adopted on 23 September 2003 "On Commercial Circulation and Use of Weapons, Munitions, Explosives, Explosive Devices and Pyrotechnic Articles and Classification of Pyrotechnic Articles".

4. Regulation No 565, adopted no 14 October 2003 "Procedures for the Organisation and Utilisation of Shooting Galleries (Shooting Stands), the Procedures By Which a Permit for the Operation of Shooting Galleries (Shooting Stands), Acquisition, Possession and Use of Weapons in a Shooting Gallery Shall Be Issued".

Regarding the Joint Action Coordination Centre please see response provided to question 1.7.